The Chicago Tribune.

VOL. 23. CHICAGO, WEDNESDAY, MARCH 2, 1870. NUMBER 244.

WASHINGTON.

Report of the Banking Committee on the New York Gold Panic.

Monthly Statement of the Public Debt.

Decrease During the Past Month, $6,484,911.75.

Time for Keeping Whiskey in Bond Extended to Three Years.

Special Dispatch to The Chicago Tribune.

WASHINGTON, March 1.

THE CABINET SUMMER.

The Military Committee came into the House today with evidence in the case of Deveress. All the material points have been anticipated. The same resolution was passed as in the Whittemore case. The committee asked for instructions concerning the action in regard to members of previous Congresses. The House, after a short debate, decided to confine the examination of cases except when persons charged are members of this House. This will cut off action in the cases of Pettis, Culver, Blackburn, Sypher, and Edwards. As Sypher is a contestant, no case will have to be passed upon if he is admitted.

MUSGRAVE'S CASE.

The situation of Musgrave is about this: Prominent Democrats of his district recommend the appointment of the son of a Republican, and Morgan Spaulding is known as serving at present in the position of the boy's friends. The evidence shows that $500 was paid, and that it went into the hands of one of the clerks in the Treasury department, and all his friends believe, that he has never known of this part of the transaction till brought out by the committee. In Corodo's case there is no evidence showing that he received any money, but the House was divided on the question whether the evidence was sufficient between 60 to 65. Quorum voting.

The committee to-day continued the investigation in Gallatin's case, with the intention of completing the examination before reporting a resolution similar to the one passed in regard to Deveress.

MATRIMONIAL.

Scott Sabin, a prominent Washington correspondent, was married to-day to Miss Anna M. Dutcat, of this city. The President, Vice President, Secretaries Fish and Boutwell, several senators and representatives, and the members of the diplomatic corps were present. General Butler, the superior of newspapers and newspaper men, was not present.

CONFIRMED.

In executive session, to-day, after a long session, the reconsideration of Strong's confirmation for the Supreme Court was withdrawn, and he stands confirmed. Vigorous opposition was made in Bradley, chiefly on the ground of locality, and no conclusion was reached. It seems probable to-morrow, that he will be confirmed to-morrow.

SENATOR HOWELL.

Senator Howell, of Iowa, made his first speech to the Senate to-day. He received close attention throughout. His views were in direct opposition to those of all his colleagues. He advocated an advanced ground on such railroad grants as entail monopolies only. His whole manner and matter showed the practical man, rather than the politician.

THE PARRAGUT PRIZE CASES.

Judge Wylie, of the Supreme Court of the District, decided the Farragut prize cases to-day. He held that the case of prize money could not be examined, the court having no jurisdiction. As to the prize case, he held that the suit was improperly brought in the name of Farragut, and dismissed the case

The Tribune.

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WEDNESDAY, MARCH 2, 1870.

THE GOLD CONSPIRACY.

We extract for much space this morning the evidence concerning the gold speculations in New York last fall, taken before the Committee of the House of Representatives on Banking and Currency, and now published for the first time. The essential portions of the testimony of Jay Gould, A. T. Corbin, Horace Porter, Daniel Butterfield, and George S. Boutwell are given in full, and will richly repay perusal, not only because of the new light in which they show the events of last September, but as studies of human nature.

Nobody has supposed at any time that the President or any member of his family was connected in this "gold conspiracy," as it is called. Insinuations have been thrown out from time to time, prefaced with Corbin's connection with the matter, saying that Mrs. Grant had an interest to the extent of $225,000; but no respectable newspaper or person has attached the slightest importance to these rumors. The testimony now brought forward shows that Corbin endeavored to give Mrs. Grant an interest in bonds which he was exchanging for his wife, but that she positively declined the proposition; that Belden offer to make the President's brother-in-law, Corbin, a present, to the extent of half a million, in his speculation in gold, was likewise spurned, and that Gould's memorandum of a purchase in Porter's name, which he had the impudence to send to Washington in a package of letters forwarded by Corbin to the White House, was peremptorily rejected. It is shown that the $6,000 check, out of which she slanders Mrs. Grant were to be paid, represented a balance on transactions through gold in which Corbin and wife, and they only, were interested. Fisk's assertions that, in giving currency to these slanders, he was only repeating what "that old thief, Corbin," had told him, are pronounced false by Corbin; and the more probable opinion, on the whole testimony, would seem to be that they were coined by Fisk and his own partners.

The testimony shows, further, that Gould was after the President at every point, at Corbin's house, on the Sound boat, at West Point, in Pennsylvania, at Washington; Corbin playing jackal to the lion from first to last. The mask for Gould's scheme to advance the price of gold a few cents per cent. was Corbin's "scheme for Gould," by Corbin, according to Corbin, and, perhaps, in point of fact, struck at by the attrition of Gould's head with that of Corbin, whom he styles "a very good old man." The theory was that, to make the coup to be secured from the West to the East, and from the East to Europe, gold should stand at 140 to 145; and that the exportation of a hundred millions in coin or bullion being effected, the balance of the world turn in our favor, gold would go back—and a lower rate, to 126, would be established. The first attempt to talk this theory into President, on the Sound steamer, failed, for a remark of his, to the effect that gold was fictitious, and that it matched little how the bubble was pricked, evinced his hearers that he was "a conservationist," and led some of them to get rid of their gold at once. Later interviews are to have sung with some what more success, and may have assisted in creating the fear of mind in which, according to Mr. Sewell's evidence, the President suggested in a letter to him that it would be "undesirable to force down the price of gold," which, according to the same witness, the evident took care to add that he "had no use to control any [Boutwell's] purpose in letter whatever my hands," and another letter, a week later, so far from renewing the suggestion, urged Mr. Sewell to "move on." The President, so far from detecting a conspiracy between Gould and brother-in-law to influence him, visited displeasure at the admission of a man Corbin's house who seemed to be trying to "find something out from him," Corbin's innocent porter, instead of guilty master.

Then comes the letter despatched by special messenger to the President while at Washington, Pennsylvania,—a letter written Gould's suggestion and "confirming the old-Corbin theory in extenso. Not "all is," but "no answer," was the President's word back to the messenger, whom he supposed to have come from the Post Office, learning that he was a special messenger in New York, his regulations for the latter having been issued and that very evening he dictated Mrs. Grant a sentence for her letter to Corbin. "The President is distressed," wrote, "at the rumors that your husband is speculating in Wall street, and hopes still instantly disconnect himself with anything of that sort."

After his return to Washington, on the Monday before "Black Friday," the President and Secretary of the Treasury talked the gold market, and were both of the opinion that the advance was unnatural, and, if it continued, the government ought to interpose. The time and manner of action were, however, left to Mr. Boutwell. Next Sunday, Corbin appeared at the House. But when he undertook to the conversation among the bulls and s he received no short an answer that did not dare to broach the subject. Corbin reports the remark thus: his matter has been concluded and I not open up nor consider the subject." eral Porter's version of the conversation more probable one is:

"There has been trouble in New York, ut many people are ruined. The bulls and ears [which subject next?]."

Corbin reports the remark thus: "I am not at all worried. Currency rose." "I am not at all to hear it, and I have no sympathy with gold ers."

The testimony is decisive as to the President's utter ignorance of the schemes to which Corbin and Jay Gould were parties. However he suspected was matter of infer-, and he had the confidence to believe his brother-in-law told him the whole truth when, in answer to the admonition referred to in the letter of Mrs. Grant to Corbin, he filed a general denial. If President was for an instant misled by specious Gould-Corbin theory, that is only error in the matter.

The other matter of public importance, which light is thrown by this testi-, concerns the conduct of the Assistant-Treasurer in New York, Daniel Butterfield.

His own testimony is sufficient to leave grave doubts concerning his official integrity. He admits that, when Jay Gould proposed to buy gold for him, did not say that for a man his position such a partnership was impossible, but was ready, according to his lame explanation, that whatever he might say would be construed into an expression of opinion touching the course of the market. He admits that he has dealt in gold through brokers, the authority to refer him was, practically, submitted, but oft—an equally lame transaction—that three transactions were only for the purpose of "setting his gold-ring bonds "on a gold basis." He admits that he suggested to Mr. Boutwell the policy of issue the famous order to sell, and [illegible] not deny that one of the letters sold before the order was issued—a which helped Jay Gould to a foresight of what was coming. He admits, too, that he did lent him $10,000 which has never been repaid. When a man makes these admissions against himself, it is hardly worth while to weigh the testimony of others against him. Gould's detailed statement of purchases of gold on Butterfield's account, and his assertion that the account is guaranteed may be left with Butterfield's friends for those curious in questions of moral verosity.

The problems equally tempting to the student of human nature are prompted by the evidence concerning Corbin's relations with Gould. Was he a tool or an accomplice? On account of many designs, or Gould's ends, to be accepted as the true one

THE GOLD INVESTIGATION.

Testimony of Gould, Corbin, Porter, Butterfield, and Boutwell Before the Committee of the House of Representatives.

Charges Against the President and Members of His Family Proved False.

What Gould Tried to Do—Corbin's Speculations—His Letter to the President—His Journey to Washington.

The President's Reproof—Attempt to Bribe Porter.

The Butterfield Case—Gould's Charges—Butterfield's Explanations—What the Secretary of the Treasury Says.

JAY GOULD'S TESTIMONY.

More than half of Mr. Gould's testimony relates to Wall street, the general way of doing business there, and Mr. Gould's own modes of operation, with the names of firms. He states that he was a railroading and steamboating, and that he went into gold after the inauguration, with a view to raising the price to 140—the rise, in his theoretical price, to give the producer a market abroad: that he "never kept a book" in his life, and those he had were destroyed at the end of the year: that his office, before departing on his trip, had only $50,000 in gold. He says that gold rose on September 24 from 35 to 40, because the bears got frightened; that he has no idea of his going up like that, and was "probably the most astounded man on the street" that he was himself a bear on that day, having an impression—derived from the fact that Seligman, Butterfield's broker, was selling, from an article in the Times, and from other circumstances, which he cannot or will not state—that an order from the Treasury was coming, and that it was his note, and not the order from Washington, which broke down the market. He gives the following account of his

TRANSACTIONS WITH CORBIN.

Q. State to the committee if you know Mr. Corbin?

A. Yes sir, I know him.

Q. How long have you known him? A. Perhaps six or seven years.

Q. Did you in the month of September last have any transactions with him? A. Not know whether it was in September or May. Not know whether it was in September or August. I cannot state the month. I have forgotten.

Q. How much? A. I bought several lots at different times. I think it amounted altogether to about $1,000,000.

Q. Please fix the rate? A. It was in the thirties, I think, at different times.

Q. What was Corbin associated with you in this matter? A. He was not associated with me in any way whatever. He was employed to buy gold for whom you bought? A. That was a matter between myself and Corbin. I employed him to go out to the movement, either in the way of assisting me in the purchase of gold or in the way of selling it. I used to see him frequently.

Q. Did you have any other object in view in employing Corbin? A. Yes sir, I have no doubt I had other objects in view.

Q. Did you have any conversation with him in regard to the movements of the President? A. Yes sir, I have no doubt I had conversations with him in regard to the movements of the President. I had conversations with him in detail, and on your interview with the President? A. Yes sir, I had conversations with him in detail, and on your interview with the President? A. Yes sir, I had conversations with him in detail. I presume I was obtaining information of any private character that I could from Corbin, in regard to the movements of General Butterfield, or anything on his own part, that would help my private speculations, or anything that was done by any parties to any private speculations, in regard to that particular matter? A. No sir.

Q. And you have no reason to suppose that he had? A. No sir. Q. On the contrary, you thought that I have said has confirmed me that his is very good authority? A. No sir.

Q. Or that any of his family had any private speculations? A. No sir, I think I had any knowledge either this letter I have mentioned, would confirm it.

CORBIN ON THE STAND.

A BIT OF AUTOBIOGRAPHY.

Abel Rathbone Corbin, sworn and examined: Question. State your residence, place of business and occupation? A. I have resided these last seven years in New York, I have been out of business a great many years, and now simply manage my own private affairs.

Q. Are you familiar with the course of gold during the month of September last? A. I do not know how to answer that. I, of course, have my own opinion of gold and for my own purposes. Having been advised of what was going on, and having in my power, after I had my knowledge of the law, gone to Mr. Boutwell, and, through my counsel, endeavored to become an editor, I tried to be familiar with everything. So the New York papers, I presume, and my knowledge of the law, gave to Mr. Boutwell the information that he was about to do, and I had a conversation with him on the subject.

THE ALABAMA CLAIMS.

Fresh Correspondence Between Minister Thornton and Earl Clarendon.

From the Pall Mall Gazette.

We have just been favored from the Foreign Office, by permission of Earl Clarendon, with the correspondence which passed between the English and American Governments on the subject of the Alabama claims, up to the 10th of January, 1870. The last letter of importance published, namely, Mr. Seligman's memorial, is dated the 15th of June, 1869, and the reply of Lord Clarendon, dated November 4, 1869, have already appeared. The correspondence, so far as the documents in our possession extend, is the following:

MR. THORNTON TO THE EARL OF CLARENDON—(RECEIVED DECEMBER 4.)

MY LORD: In compliance with the instructions contained in your Lordship's despatch of the 4th of November, I have this day left the Department and read the paper to the Secretary of State, of which I then explained to him the purport and object. I then explained to him the general tenor of your Lordship's other despatch of the 4th instant, which had indeed been communicated to me by Mr. Fish on the 2d, in which you had adopted to express your dissent from the memorandum of the 5th of September, to Mr. Motley of the 30th of September last, other words than those employed in the paper containing your Lordship's observations, and at the same time gave them to me to read. I then explained to him that you had also sent me a despatch of the same date, which I was to read to him, but not to leave with him. I then explained to him that you had adopted to express your dissent from the memorandum of the 5th of September, to Mr. Motley of the 30th of September last, other words than those employed in the paper containing your Lordship's observations, and at the same time gave them to me to read. I then explained to him that you had also sent me a despatch of the same date, which I was to read to him, but not to leave with him. I then explained to him that you had also sent me a despatch of the same date, which I was to read to him, but not to leave with him. I then explained to him that you had also sent me a despatch of the same date, which I was to read to him, but not to leave with him.

Mr. Fish then said that he would read the despatch and the paper, and would then let me know whether he intended to make any observations upon them. He has since informed me that he has no observations to make upon them, and that he will be ready to receive from me, at any time that may be convenient to me, the note which I am instructed to address to him.

I have, &c.,

EDWARD THORNTON.

THE EARL OF CLARENDON TO MR. THORNTON.

FOREIGN OFFICE, Jan. 10, 1870.

SIR: Mr. Motley has this day read to me a despatch, dated the 22d inst., from Mr. Fish, stating that among the papers forwarding the Alabama case there was a memorandum of a conversation which you had had with Mr. Fish, on the 5th of September last, which he did not consider to be correct, which he did not consider to be official, and which he therefore did not consider to be entitled to any other despatch of which he was the author. Mr. Fish added that the argument did not propose to follow Mr. Fish through the whole correspondence that had taken place between you and him, from the date of the despatch of the 5th of September, or the various points of difference which had arisen in the course of that correspondence that had been carried on between you and him on the matters personally.

I gathered from these interviews that you communicated with Mr. Seligman concerning the course of gold in the market, and that Mr. Seligman had been in communication with Mr. Fish on the same subject, or rather made a telegram to him from Paris, and a letter to him from London, to the same effect. I thought that Mr. Seligman was probably more correct in regard to it.

Mr. Fish then said that there could be no doubt that the memorandum of the 5th of September was a true and correct statement of what had taken place between you and him. I do not know when he came to that conclusion, but I think it was after he had had an opportunity of seeing Mr. Seligman, and of hearing from him what was the nature of the communications which he had had with you.

I think that Mr. Fish

BOARD OF EDUCATION.

More Frequent Meetings—Boarding-school—Report of Expenditures.

School Beds—Attendance.

A regular meeting of the Board of Education was held last night; present, Inspectors Holden, Simpson, Hoover, Bostell, Clark, Bachelder, Philp, J. B. Bragg, Rose, Long, White, Woods, Mackinlay, Carter, Wentworth, Blanchford, and the President.

DAYS OF MEETING.

On motion of Inspector King the rules were suspended and a resolution providing for meetings of the board on the first Monday and fifth Tuesday of each month, was offered and adopted.

THIRD AVENUE PRIMARY.

Miss Mary J. Denny was elected Principal of the Third Avenue Primary School, receiving 19 votes to 5 for Mrs. Charlotte F. Faulmer.

CLERICAL ASSISTANCE WANTED.

The resignation of Mrs. Swift, Principal of the Calumet Avenue Primary School was accepted, and Miss K. J. Reed was chosen to fill the vacancy.

DEARBORN SCHOOL.

On motion the vacancy occasioned by the election of Principal for the Dearborn School, and other A. P. Bennett was chosen.

LINCOLN PARK PRIMARY.

Inspector Bostedt, from the Committee on Repairs and Grounds, submitted a report recommending the purchase of lot at the northeast corner of Illinois and North streets for the erection of a school house in Lincoln Park District.

Report adopted.

NEW PRIMARY SCHOOL.

Inspector Bostedt, from the same committee, submitted a recommendation that a twelve-room primary building be erected on the lot now on the Brown lot, to accommodate the 180 pupils now from that locality. Report adopted. Common Council be asked for the necessary authority.

The report was adopted.

LOTS OF OFFERED.

Inspector Bostedt, from the same committee, submitted a proposition from Mrs. Hannah Hurley, street, between Indiana and Illinois, for school purchase, at a price of $96,000.

The report was laid over.

THIRD AVENUE PRIMARY.

Inspector Bostedt, from the same committee, reported that one building was ready for occupancy in the Third Avenue Primary District, with the necessary furniture.

The report was accepted.

SCHOOL FURNITURE.

The Committee on Appliances and Furniture reported the amount spent since the 1st inst., as $2,316.85, and the amount for the month of April, 1869, to be $2,000.

The Committee on Janitors and Supplies reported the amount for the present year, $20,000; amount spent since the 1st inst., $2,000; and the amount for the month of April, 1869, to be $2,000.

The Committee on Buildings and Grounds reported the amount for the present year, $50,000; amount spent since the 1st inst., $27,587; from the school building fund, $18,466.80; from the Dearborn School building fund, $921.80, and from the Lincoln School fund, $200. The Committee on Auditing and Finance reported for the present year $42,000; amount drawn since the 1st inst., $17,000. The Committee on Publication reported for the present year $2,000; amount drawn since the 1st inst., $1,000. The Committee on Salaries reported for the present year $40,000.

The report of the Auditing and Finance Committee, reporting the amount of bills audited and ordered paid, was taken up.

BONDS.

The report of the Auditing and Finance Committee recommending that the Comptroller be authorized to issue $200,000 of school bonds, was taken up.

Inspector Blackford moved to amend by adding $50,000.

The amendment was accepted, and the report, as so amended, adopted.

PARTIAL CERTIFICATES.

Inspector King, from the Committee on Examination of Teachers, reported recommending that partial certificates be granted to Miss Mary Hunt, M. Adella Dorrinson, Ellen Cutler, Emma Hunt, Hattie Howard, A. S. Sanford, Olive W. Thomas, Eugenia F. Gruwell, M. Augusta Choate, Pauline Goode, Sarah L. Dunlap, Olive A. Chandler, Eugenia A. Freeman.

The report was adopted.

TRANSFERS AND APPOINTMENTS.

Inspector Hoover, from the Committee on Appointment of Teachers, reported the resignation of Miss S. Ellen Kirk, of the Lincoln School; the transfer of Miss Grace W. Palmer from North Branch Primary to Franklin; Miss Ella Hall from Lincoln to Brown; Lydia Richards from Ogden to Union; the appointment of Miss Jennie Hamilton to the Scammon; Lillian Johnston and Hattie F. Phillips to the Franklin; Maggie A. Mitchell to the Newberry; Alice B. Wells to the Jefferson Grove; Anna Palmer and Esther M. Teare to the North Branch Primary; Mary E. Hall to the Wentworth Avenue; Mary H. Pickard and Mary F. Hastings to the Third Avenue; Alice L. Taylor to the Ogden; M. L. Palmer to the North Branch; Mary E. Hall to the Lincoln; Ida Barnes to the Foster; and the confirmation of Esther L. Sturges to the Ogden; Mary E. Holton, Sister V. Spade, Emma M. Tracey, Blanche Constantine, Adelia M. Hamilton, Louise Wilson, E. J. Storey, Susan Sayles.

The report was concurred in.

ATTENDANCE.

The Superintendent reported that in February 22,402 were enrolled, and the average number belonging 16,761.

TEXT BOOK.

A resolution, that Fasquelle's Collocutial Reader be authorized as a text book in the High School was offered.

The board then adjourned.

Obituary.

Death of Cornelius J. Smarius—S. J.

There was sorrow and sadness in the residence of the members of the Society of Jesus, in this city, yesterday, for death had gone in amongst them, and had stolen away their brightest treasure. A few minutes before 12 o'clock in the morning Rev. Cornelius J. Smarius was summoned from this world. He died surrounded by the brethren whom he had so long and so faithfully labored with.

He was born in 1822, of years ago, in the province of North Brabant, Holland. From an early age he exhibited precocious signs of genius, the ability which afterward distinguished him. When young he possessed a strong desire for the service of the Church, for which sacred calling he manifested a strong preference. After passing his preliminary education, he entered the University of Louvain, where he remained for a time, complying with the order and zeal of a young ecclesiastic. His great talents and his love of study soon laid the foundation of a store of knowledge that in subsequent years became a power in his hands. Mormonism in all its severe and solid studies necessary to its successful profession, he finished his course of theology, and in writing poems. His ten penances was devoted to the study of the German tongue, and soon he was able to speak it with ease. He was then ordained priest, and, like all truly able men, was becoming very deep.

In his ordinary intercourse with his fellow-men he was pleasant, and had the faculty of making himself agreeable to all. He became more and more endeared to his brethren, and was a favorite with all. He was ordained priest in 1848, and was sent to Maryland, where he labored for the purpose of preparing as a novice. He continued in this occupation for two years, when he was sent to Detroit, Mich., where he remained for a time. He took his first vows in 1851, and was then sent to Chicago,